

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 621 - SB 1125

February 25, 2023

SUMMARY OF BILL: Increases, from 70 miles per hour to 75 miles per hour (mph), the speed limit on all controlled-access highways with four or more lanes.

FISCAL IMPACT:

Increase State Expenditures – \$118,000/FY23-24/Highway Fund

Assumptions:

- Citations for speeding in the range of 70-74 miles per hour on controlled-access state highways and interstate highways where the speed limit is 70 miles per hour are assumed to be rare; therefore, any decrease in state or local revenue related to a decrease in citations and fines for such violations is estimated to be not significant.
- Based on information provided by the Department of Transportation (TDOT), the one-time cost to change the relevant speed limit signs statewide from 70 mph to 75 mph is estimated to be \$118,000 in FY23-24.
- Any increase in state expenditures associated with speed studies is assumed to be accommodated within existing TDOT resources, without a significant increase in state expenditures.
- According to a 2022 National Cooperative Highway Research Program study, *Safety Effects of Raising Speed Limits to 75 mph and Higher*, Kansas increased certain four-lane freeway locations from 70 mph to 75 mph in 2011. The study concluded that there was not a significant difference in the number of total crashes, vehicle miles traveled, or the total gross domestic product from before and after the increase.
- Passage of this legislation is not expected to significantly impact TennCare expenditures or tax revenue.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director